

ATTACHMENT 12

NC DIVISION MH/DD/SAS PROMPT PAY PROVISION - 2003/2004 PERFORMANCE AGREEMENT

Area Authority/County Program:	Audit Date:	
Control #:		
Staff Interviewed:	Provider:	
Rating Codes: 0 = No 1 = Yes 9 = NA Overall Ratings: Questions 3, 4, 6 have multiple parts. If any one of the multiple parts is rated "Yes", the overall rating = 1/MET. If ALL of the multiple parts are rated "No", the overall rating = 0/NOT MET.		Rating
1. The Area Authority/County Program has a policy and/or documented procedure that assures payment for provider services per the Prompt Pay provision of the 2003-2004 Performance Agreement.		
2. The Area Authority/County Program has a policy and/or documented procedure to respond to appeals related to invoices denied for payment.		
3. The Area Authority/County Program, within 18 calendar days of receipt of the invoice:		
a. Approved payment		
b. Denied payment		
c. Determined additional information was needed		
4. The Area Authority/County Program complied with the timelines associated with the finding in Question 3:		
a. If the Area Authority/County Program approved payment, payment was made within 30 calendar days after approval of invoice.		
b. If the Area Authority/County Program was denied payment, notice of the denial was returned to the provider within 18 calendar days of receipt of invoice.		
c. If additional information was needed, the provider was notified within 18 calendar days of receipt of invoice.		
d. Upon receipt of additional information, the Area Authority/County Program processed the invoice within the appropriate timeframe.		
5. The Area Authority/County Program paid the invoice within 48 calendar days.		
COMMENTS:		
AUDITOR:		FUNDING SOURCE: <input type="checkbox"/> Medicaid <input type="checkbox"/> Non-Medicaid* (see auditor instructions/bottom)

FY 03-04 Protocol for selecting a sample and monitoring of the Prompt Pay Provision of the 2003 - 2004 Performance Agreement

The Area Authority/County Program will have available to the monitor a list of providers that submitted invoices for payment during the month of January, 2004. The monitor will randomly select up to 3 invoices per provider for a total of 15 invoices to be reviewed. The minimum number of providers for this monitoring will be 5 (5 providers with 3 invoices apiece equals 15 invoices). However, the maximum number of providers could be 15, if each provider chosen only has one invoice submitted during the month. Ten (10) invoices relating to Medicaid services provided by a contract agency and five (5) invoices related to non-Medicaid services will be reviewed. The monitor will ask the Area Authority/County Program representative to assist in identifying the category under which the invoice falls. Non-Medicaid events may include such billings as CTSP, MR/MI, Pioneer, etc. If 5 non-Medicaid events are not available, the auditor will replace them with Medicaid events so that a total of 15 invoices are reviewed.

AUDITOR INSTRUCTIONS

A COPY OF THE PROMPT PAY PROVISION OF THE PERFORMANCE AGREEMENT WILL BE AVAILABLE FOR EACH MONITOR. PLEASE REFER TO THIS DOCUMENT FOR FURTHER CLARIFICATION.

Question #1 While the Performance Agreement does not specifically state that there be a Policy on following this provision, the Area Authority/County Program should have some procedure that addresses the implementation requirements. The monitor will ask for a copy of this documented procedure and attach to one of the audit tools for the Area Authority/County Program being reviewed.

Question #2 This question is for informational purposes only. The Division is gathering information on how the Area Authority/County Program addresses the appeal of denied claims. The monitor will request from the Area Authority/County Program a copy of their appeal procedures and attach to the audit tool (it may be the same policy attached for question #1).

Question #3 The monitor will review the invoice to determine the date of receipt and type of action taken (approved, denied, additional information needed) and determine if the action occurred within the required 18 calendar day time limit. If all parts (a, b and c) are answered no, comment as to how late the determination occurred and why (if known).

Question #4 The monitor will review documentation to ascertain if the Area Authority/County Program met the timelines for the response noted in question #3 (e.g. if the answer to question #3 is that the Area Authority/County Program approved the invoice, then did the Area Authority/County Program pay the provider within 30 days of the approval). If all parts (a, b, c and d) are answered by "no", comment as to how late the determination occurred and why (if known).

In question 4d, the monitor must determine when the provider furnished the required additional information. The monitor will then determine if the Area Authority/County Program processed the invoice within the time periods noted in questions 3 and 4.

Question #5 The maximum turn-around time for the payment of an invoice is 48 calendar days. It would be possible for an Area Authority/County Program to exceed one of the timelines and still make payment before the 48 day limit (e.g. Approved for payment on day 30-beyond 18 day limit-and paid in 10 days. Equals 40 days) The monitor will look at the total time it took to pay the invoice and answer this question based on the results.

Note: If questions 3 and 4 are both "met", then question 5 is automatically "met".

***Non-Medicaid Invoices:**

Additional information regarding the non-Medicaid invoices: In order for the non-Medicaid invoices to be processed by the Area Authority/County Program under the Prompt Pay provision:

"The provider shall submit invoices for non-Medicaid services in the appropriate form within the shorter of: (a) the time period stated in the contract between the Area Authority/County Program and provider and (b) 15 calendar days after the end of the month in which the service(s) was rendered, or in which the consumer was discharged from service. Failure to submit an invoice within the time period shall exempt the Area Authority/County Program from the time periods imposed by this section...."

If the auditor has a non-Medicaid invoice that does not adhere to these requirements, do not use it for these audit purposes.